



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
-----------------	-------------	----------------------	---------------------	------------------

09/869,929

07/05/2001

David B. Learner

LNR-1-PCT

1357

20311

7590

07/21/2004

MUSERLIAN AND LUCAS AND MERCANTI, LLP  
475 PARK AVENUE SOUTH  
NEW YORK, NY 10016

EXAMINER

JANVIER, JEAN D

ART UNIT

PAPER NUMBER

3622

DATE MAILED: 07/21/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

## Office Action Summary

Application No.

09/869,929

Applicant(s)

LEARNER ET AL.

Examiner

Jean D Janvier

Art Unit

3622

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --  
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 07 April 2004.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-25 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-25 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |   |   |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)             | 4) <input type="checkbox"/> Interview Summary (PTO-413)                     |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)    | Paper No(s)/Mail Date. _____  |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| Paper No(s)/Mail Date _____   | 6) <input type="checkbox"/> Other: _____                                    |

### **Response To Applicant's Amendments**

The Examiner approves the new title of the invention.

### **Response To Applicant's Arguments**

First, in response to the Applicant's statements or arguments, the Examiner withdraws the rejection of claims 16-19 under 35 USC 101 while maintaining the rejection of claims 20-25, under 35 USC 101, for being non-statutory (See below).

Second, Applicant contends that Fajkowski does not teach that the supplier issues the discount vehicle, as recited in the claims and that the Examiner's assertion under "Official Notice" to explain this aspect of the present invention is not proper under the current circumstances **because this teaching is at the Hear of the Applicant's invention.** The Examiner completely and respectfully disagrees with the Applicant's findings. In fact, Fajkowski discloses a system for providing a coupon card or value card, from a coupon card issuer, containing one or more coupons or multiple coupons on a single product or service to a customer, who uses the coupon card for redeeming one or more stored coupons during a transaction at a POS or retail establishment, wherein, upon inserting the customer's unique coupon card 1 into the retail establishment periphery device 100 and detecting the presence of at least one stored coupon associated with a product in the customer's order (when a product UPC code stored on the coupon card matches a product UPC code in the customer's order), a price reduction is applied to the customer's transaction and the retail establishment is subsequently credited or reimbursed for honoring or redeeming the at least one coupon retrieved from the

Art Unit: 3622

customer's coupon card 1 (See abstract; page 4: 24 to page 9: 7). Furthermore, Fajkowski discloses a system wherein during a transaction process, the periphery device 100 indicates if there is a manufacturer instant rebate for any product currently in the customer's order. In the affirmative, the system or rebate system allows the customer to instantly receive credit for the rebate, while quickly and efficiently supplying the manufacturer with both the demographic data and stimulation power the rebate is intended to provide in the first place, wherein the demographic data are used to further measure the effectiveness of the system and to further distribute rebates to the identified user or customer of the coupon card 1 (page 22: 21-24; page 27: 14-31). Additionally, Fajkowski discloses a system, wherein a coupon card service provider, such as a clearinghouse or a third party, working in conjunction with a manufacturer or product supplier distributes the coupon cards and coupons to the individual customers on behalf of the manufacturer or product supplier, **thereby relieving the manufacturer or supplier from the mundane tasks of distributing the coupon cards and coupons to the registered customers, while concentrating on developing more effective promotional programs using the customers' transaction data.** Before a customer can receive a coupon card 1 from the coupon card service provider, the customer must initially register with the coupon card service provider by providing, among other things, his demographic information, which helps identify the registered customer utilizing an associated identification or a PIN number at a participating POS during a redemption process. While not shown in FIG. 4a, the coupon card 1 could also be equipped with a "Move" key. If the coupon card user or customer changes his residence, he may press the "Move" key and coupon card 1 will prompt him to enter (using the numeric keys 31 and "Letters" key 37) his new address and telephone number or demographic parameters. The

Art Unit: 3622

next time coupon card 1 is inserted into a periphery device 100 or POS, the user's new address and telephone number will be transmitted to the coupon card service provider through the server 200 (The coupon card service provider distributes coupon cards to customers who supply demographic information or based on the customers' demographic profile- P. 8: 33 to P. 9: 7; P. 11: 10-33; P. 13: 17-30; P. 17: 31 to P. 18: 3; P. 25: 1-2; P. 39: 26 to P. 40: 7; P. 43: 9-12).

Here, although Fajkowski discloses providing to a customer by a service provider a coupon card 1 containing a plurality of coupons wherein at least two coupons from a particular manufacturer or supplier are redeemable on a particular product from the manufacturer or supplier and sold by a retailer, **Fajkowski does not explicitly teach a system wherein a manufacturer or supplier directly issues or sends the coupon card 1 to the customer based on the customer's demographic data.**

**However, providing directly by a product manufacturer a plurality of paper coupons, wherein at least two of these paper coupons are redeemable on a single product is old and well established in the industry. For example, it is described in a marketing scheme designed to increase market share of a particular product or client's product or first product from a manufacturer (peanut butter brand) in those markets where the client's brand product is ranked #2 in sales volume. To accomplish this goal, a twelve-week promotion is being run, wherein the promotion starts with a high value incentive Coupon or electronic coupon (\$1.00 off the client's product or first product) issued to shoppers, thereby encouraging them to buy the client's product instead of the competitor's product. When the \$1.00 checkout Coupon (first electronic coupon) is redeemed by a shopper, indicating that the shopper has been persuaded to try the first product or the client's or**

Art Unit: 3622

**manufacturer's brand of peanut butter, a repeat coupon (second coupon) on the same first product having a lower monetary value (\$0. 75 off the client's brand) than the first coupon is transmitted or provided or issued to the shopper so as to reinforce the shopper's desire to continue buying the client's or manufacturer's peanut butter brand or first product while helping the manufacturer gain important market share in the area (geographic location) where the competitor's peanut butter brand ranked #1 in sales.**

In addition, directly providing to the customer by the manufacturer or product supplier the coupon card or having a third party such as a coupon card service provider or a clearinghouse working in conjunction with the manufacturer or supplier deliver distribute the coupon card or value card, having encoded thereon a plurality of electronic coupons to the customer, wherein at least two or more stored electronic coupons are redeemable on a single product is a matter of choice or desires, which does not directly or indirectly impact the issuance or the redemption of the coupons stored on the coupon card or value card. These findings or conclusions are well within the level of skills of an ordinary artisan at the time the present Application was filed.

Therefore, an ordinary skilled artisan would have been motivated at the time of the invention to incorporate the above public disclosure ("Official Notice") into the system of Fajkowski so as to have a manufacturer or supplier directly issue to a targeted customer a coupon card having encoded or stored thereon a plurality of electronic coupons, wherein at least two stored coupons are redeemable on a single product, thereby allowing the manufacturer or supplier to fully control the distribution of the coupon cards or value cards by originally providing a coupon card having stored thereon at least two electronic coupons, redeemable on a single item, to a registered customer living in an area (using demographic information to issue a

Art Unit: 3622

coupon card to a customer) where the manufacturer wants to increase the market share for the item or product associated with the stored coupons, while insuring that the coupon card containing the electronic coupons was originally directed to a targeted customer living in the area where the manufacturer's product is facing a tough competition (page 7: 8-24).

Here, and contrary to the Applicant's arguments, the Examiner does not technically speaking rely upon "Official Notice" to address the deficiency in the prior art (a manufacturer or a supplier directly issuing or sending the coupon card 1 to the customer). The Examiner herein submits that having **a manufacturer or a supplier sending, rather than a coupon card service provider or a clearinghouse or a third party, a coupon card to a registered customer is a matter of choice or convenience**, which does not directly or indirectly impact the issuance or the redemption of the coupons and that these findings or conclusions are well within the level of skills of an ordinary artisan at the time the present Application was filed. Although the Applicant argues that the Examiner's assertion or position, as stated above, to address this aspect of the present invention or the deficiency in the prior art is not proper under the current circumstances **for this teaching is at the Heart of the Applicant's invention**, the Applicant does not put forth any convincing arguments showing why an ordinary skilled artisan would not have concluded that having a manufacturer or a supplier send, rather than a coupon card service provider or a clearinghouse, the coupon card 1 to the registered customer is a matter of choice or convenience since the issuance or redemption of the coupons would have been performed, and almost transparent to the user or customer, the same way. Therefore, the arguments regarding the taking of "Official Notice", regarding the said deficiency, by the Examiner are not appropriate. Indeed, the other portion or section, shown above in boldface, disclosed by the Examiner is meant to

Art Unit: 3622

point out, in addition to the teachings of the prior art, that providing one or more coupons on one brand product is well known and this section never addresses the sending of a coupon card or value card by a manufacturer or supplier to a customer. It also appears that the Applicant requests that the Examiner provide a written document related to this highlighted section or portion. Although the request is not proper, as herein discussed, however, the Examiner will supply a courtesy copy to the Applicant.

Third, Valencia does disclose, contrary to the Applicant's findings, a system, wherein, in an alternative embodiment, a user or customer is given a smart card (at no cost) at the master reader/writer 62 associated with a POS and wherein an appropriate amount of money would be added to the card and a partial validation step would be performed by the master reader/writer 62, after which the customer would proceed to the customer service terminal 64 to complete the application process, thereby inducing or encouraging the customer to participate in the incentive program while buying the manufacturer's or supplier's products (Broadly interpreted, the manufacturer or supplier provides the smart cards (or subsidizes its cost) and the discounts to the registered customers-Col. 6: 67 to col. 7: 12).

Four, regarding claims 4 and 21, the Applicant respectfully disagrees with the Examiner's position and submits that although it is true that most coupons have an expiration date, however, there is no reason why coupons cannot be valid for an indefinite period of time, as recited in the claims. Here, the Examiner still maintains his position. If the coupons, as recited in the claims, carry no expiration date, then the Applicant should not refer to them as **coupons** since all



Art Unit: 3622

coupons do carry an expiration date related to a time-sensitive promotional campaign in an effort to encourage customers to buy certain products during a certain time period, as known in the art. Although some promotions may be ongoing, however, the associated coupons still have an expiration date.

Further, regard claim 14, Applicant once again disagrees with the Examiner's statement that the value card must first be issued to the customer before transaction data can be compiled. It is conventional and well known in the art, continues the Applicant, to collect commercially available statistical data relating to product sales and **claim 14 recites that the value cards are supplied to selected consumers based on this previously collected statistical data.** Here, the Examiner maintains his position. First and foremost, claim 14 never recites distributing value cards to customers based on previously collected statistical data associated with product sales, as herein argued by the Applicant. Here, the Examiner wants to remind the Applicant although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

Therefore, the Applicant's request for allowance or withdrawal of the last Office Action has been fully considered and respectfully denied in view of the foregoing response since the Applicant's arguments as herein presented are not plausible and thus, the last Office Action, as shown below, is hereby maintained and the current **Office Action has been made Final.**

#### DETAILED ACTION

***Specification***

***Status of the claims***

Claims 1-25 are now pending in the Instant Application.

***Claim Rejections - 35 USC § 101***

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

Art Unit: 3622

Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson*, 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. *In re Toma* at 857.

Art Unit: 3622

In *Toma*, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.*, the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See *State Street Bank & Trust Co.* at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, *State Street* abolished the Freeman-Walter-Abele test used in *Toma*. However, *State Street* never addressed the second part of the analysis, i.e., the "technological arts" test established in *Toma* because the invention in *State Street* (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the *Toma* test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in

Art Unit: 3622

affirming a §101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

Claims 20-25 are rejected under 35 U.S.C. 101 because the claimed invention is directed to a non-statutory subject matter. Here, the steps as recited in the claims pertain to a manual process and therefore, the claims do not fall within the technological art. Here, the coupon kit, as recited in claim 20, does not necessarily mean a value card or a coupon card containing a plurality of coupons. The coupon kit can be interpreted as a set of paper coupons. Thus, claim 20 does not incorporate any hardware or device to render the claim statutory under 101. To this end, a relevant device or hardware, such as a computer system, a database, a data communication, computer network, the Internet and so and so forth should be used to implement the steps or process recited in at least claim 20.

### ***Claim Objections***

Claims 4, 14 and 21 are objected to because of the following informalities:

**Regarding claim 14**, "...wherein said supplier sends said value card to a selected said retail customer based on said sale data" is inconsistent with the process thus far disclosed or cannot be performed because the value card must first be issued to the customer before transaction data or sale data are stored on the value card. Further, the value card is recited in the claimed invention is reusable. In other words, the customer receives one single value card and

Art Unit: 3622

continues using the same card. For examination purpose, the Examiner gives a broad interpretation to the claim as seen below-

--...wherein said supplier transmits new coupon data to said value card related to said retail customer based on said sale data or transaction data --.

Regarding claims 4 and 21, the limitations "...wherein said coupons are valid without time limitations" are not within the skills of an ordinary artisan. In fact, all coupons (electronically encoded in the memory of a card or printed on papers) have an expiration data, that is a predefined time period or time stamp after which the coupons (or the promotion associated with the coupons) are no longer applicable or redeemable. For examination purpose, these limitations will be broadly interpreted.

### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-10 and 13-19 are rejected under 35 U.S.C. 103(a) as being unpatentable over Fajkowski, WO 98/19229.

Art Unit: 3622

As per claims 1 and 16, Fajkowski discloses a system for providing a coupon card or value card, from a coupon card issuer, containing one or more coupons or multiple coupons on a single product or service to a customer, who uses the coupon card for redeeming one or more stored coupons during a transaction at a POS or retail establishment, wherein, upon inserting the customer's unique coupon card 1 into the retail establishment periphery device 100 and detecting the presence of at least one stored coupon associated with a product in the customer's order (when a product UPC code stored on the coupon card matches a product UPC code in the customer's order), a price reduction is applied to the customer's transaction and the retail establishment is subsequently credited or reimbursed for honoring or redeeming the at least one coupon retrieved from the customer's coupon card 1 (See abstract; page 4: 24 to page 9: 7).

As per claim 13, Fajkowski discloses a system wherein during a transaction process, the periphery device 100 indicates if there is a manufacturer instant rebate for any product currently in the customer's order. In the affirmative, the system or rebate system allows the customer to instantly receive credit for the rebate, while quickly and efficiently supplying the manufacturer with both the demographic data and stimulation power the rebate is intended to provide in the first place, wherein the demographic data are used to further measure the effectiveness of the system and to further distribute rebates to the identified user or customer of the coupon card 1 (page 22: 21-24; page 27: 14-31). Additionally, Fajkowski discloses a system, wherein a coupon card service provider, such as a clearinghouse or a third party, working in conjunction with a manufacturer or product supplier distributes the coupon cards and coupons to the individual customers on behalf of the manufacturer or product supplier, **thereby relieving the**

Art Unit: 3622

**manufacturer or supplier from the mundane tasks of distributing the coupon cards and coupons to the registered customers, while concentrating on developing more effective promotional programs using the customers' transaction data.** Before a customer can receive a coupon card 1 from the coupon card service provider, the customer must initially register with the coupon card service provider by providing, among other things, his demographic information, which helps identify the registered customer utilizing an associated identification or a PIN number at a participating POS during a redemption process. While not shown in FIG. 4a, the coupon card 1 could also be equipped with a "Move" key. If the coupon card user or customer changes his residence, he may press the "Move" key and coupon card 1 will prompt him to enter (using the numeric keys 31 and "Letters" key 37) his new address and telephone number or demographic parameters. The next time coupon card 1 is inserted into a periphery device 100 or POS, the user's new address and telephone number will be transmitted to the coupon card service provider through the server 200 (The coupon card service provider distributes coupon cards to customers who supply demographic information or based on the customers' demographic profile- P. 8: 33 to P. 9: 7; P. 11: 10-33; P. 13: 17-30; P. 17: 31 to P. 18: 3; P. 25: 1-2; P. 39: 26 to P. 40: 7; P. 43: 9-12).

As per claims 1, 16 and 13, Although Fajkowski discloses providing to a customer by a service provider a coupon card 1 containing a plurality of coupons wherein at least two coupons from a particular manufacturer or supplier are redeemable on a particular product from the manufacturer or supplier and sold by a retailer, Fajkowski does not explicitly teach a system



Art Unit: 3622

wherein a manufacturer or supplier directly issues the coupon card 1 to the customer based on the customer's demographic data.

However, providing directly by a product manufacturer a plurality of paper coupons, wherein at least two of these paper coupons are redeemable on a single product is old and well established in the industry. For example, it is described in a marketing scheme designed to increase market share of a particular product or client's product or first product from a manufacturer (peanut butter brand) in those markets where the client's brand product is ranked #2 in sales volume. To accomplish this goal, a twelve-week promotion is being run, wherein the promotion starts with a high value incentive Coupon or electronic coupon (\$1.00 off the client's product or first product) issued to shoppers, thereby encouraging them to buy the client's product instead of the competitor's product. When the \$1.00 checkout Coupon (first electronic coupon) is redeemed by a shopper, indicating that the shopper has been persuaded to try the first product or the client's or manufacturer's brand of peanut butter, a repeat coupon (second coupon) on the same first product having a lower monetary value (\$0. 75 off the client's brand) than the first coupon is transmitted or provided or issued to the shopper so as to reinforce the shopper's desire to continue buying the client's or manufacturer's peanut butter brand or first product while helping the manufacturer gain important market share in the area (geographic location) where the competitor's peanut butter brand ranked #1 in sales.

Moreover, directly providing to the customer by the manufacturer the coupon card or having a third party such as a service provider or a clearinghouse working in conjunction with the manufacturer or supplier deliver the coupon card or value card having encoded thereon a

Art Unit: 3622

plurality of electronic coupons to the customer, wherein at least two or more stored electronic coupons are redeemable on a single product is a matter of choice or desires, which does not directly or indirectly impact the issuance or the redemption of the coupons stored on the coupon card or value card.

Finally, it is well known in the art to deliver targeted advertisements or incentives to a customer in accordance with the customer's demographic information (no additional disclosure is necessary here).

Therefore, an ordinary skilled artisan would have been motivated at the time of the invention to incorporate the above public disclosure ("Official Notice") into the system of Fajkowski so as to have a manufacturer or supplier directly issue to a targeted customer a coupon card having encoded or stored thereon a plurality of electronic coupons, wherein at least two stored coupons are redeemable on a single product, thereby allowing the manufacturer or supplier to fully control the distribution of the coupon cards or value cards by originally providing a coupon card having stored thereon at least two electronic coupons, redeemable on a single item, to a customer living in an area (using demographic information to issue a coupon card to a customer) where the manufacturer wants to increase the market share for the item or product associated with the stored coupons, while insuring that the coupon card containing the electronic coupons was originally directed to a targeted customer living in the area where the manufacturer's product is facing a tough competition (page 7: 8-24).

Art Unit: 3622

As per claims 2-3, 5-7, 8-10, 14-15, 17, 18 and 19, Fajkowski discloses a system for providing a coupon card or value card, from a coupon card issuer, containing one or more coupons or multiple coupons on a single product or service to a customer, who uses the coupon card for redeeming one or more stored coupons during a transaction at a POS or retail establishment, wherein, upon inserting the customer's unique coupon card 1 into the retail establishment periphery device 100 and detecting the presence of at least one stored coupon associated with a product in the customer's order (when a product UPC code stored on the coupon card matches a product UPC code in the customer's order), a price reduction is applied to the customer's transaction and the retail establishment is subsequently credited or reimbursed for honoring or redeeming the at least one coupon retrieved from the customer's coupon card 1 (See abstract; page 4: 24 to page 9: 7).

Further, the coupon card 1 may include a customer's identification number, which allows the provider of the coupon card and/or manufacturer (supplier) to uniquely identify each individual user to whom a coupon card 1 is registered, thereby enabling purchase habits or behavior of each individual user to be extracted from collected sale data associated with each user and used by the supplier or manufacturer in further marketing analysis in order to prepare targeted coupon packages for the each individual user, wherein the targeted coupon packages are transmitted to each individual coupon card 1, to offer real-time rebates to a user or to increase/decrease a coupon value of a coupon already stored on an identified coupon card 1 in reaction to the user's response to a current promotion. Indeed, a clearinghouse 300 receives from a plurality of different periphery devices 100, linked to servers 200, related to different stores transaction data associated with the users identified by the coupon cards 1 and compiles a detailed database

Art Unit: 3622

of the purchasing habits or behavior of all users of coupon cards 1. From this database, precise marketing profiles and reports can be provided to the manufacturer or supplier and used to generate customized coupon packages by the manufacturer or supplier for the benefit of the individual users of the coupon cards 1. Coupon data directed to a particular user of a coupon card 1 are transmitted from the manufacturer or supplier to the clearinghouse 300 to be uploaded by a periphery device 100, linked to the clearinghouse 300 via server 200, to the coupon card 1 during a transaction or redemption process at a retail establishment involving the identified coupon card 1 (See abstract; page 4: 24 to page 9: 7; page 19: 27 to page 20: 8; page 32: 11 to page 33: 6).

In addition, the coupon card 1 can store more than one coupon redeemable on a single product. During a redemption process, if more than one coupon from the coupon card 1 is applicable to a single item purchased, a subroutine will be executed, wherein a message is displayed to the bearer or user of the coupon card 1 notifying him of the presence of a multiple coupons redeemable on a single item present in his order and prompt him to select which coupon he wants to redeem on the product at this time. In other words, when more than one coupons are applicable to a single product, one coupon is selected by the user and redeemed during the current shopping trip, while the additional coupons will be redeemed in the future (the coupons are valid at space apart time interval-page 22: 31 to page 23: 6; page 26: 31 to page 27: 14; page 34: 33 to page 35: 27).

Furthermore, Redemption data are transferred to the coupon card 1 by periphery device 100 during a redemption process at the retail establishment (page 28: 26-28). During a transaction process, the periphery device 100 indicates if there is a manufacturer instant rebate for any product currently in the customer's order. In the affirmative, the system or rebate system

Art Unit: 3622

allows the customer to instantly receive credit for the rebate, while quickly and efficiently supplying the manufacturer with both the demographic data and stimulation power the rebate is intended to provide in the first place, wherein the demographic data are used to further measure the effectiveness of the system and to further distribute rebates to the identified user or customer of the coupon card 1 (page 22: 21-24; page 27: 14-31).

As per claim 4, Fajkowski discloses a system wherein a coupon stored on an identified coupon card 1 can be used beyond its expiration date (allowing a coupon to be redeemed beyond its scheduled expiration date). In fact, if the system determines during a redemption process that a customer has purchased an item covered by a coupon stored on the coupon card 1 could not be used or redeemed prior to its expiration date (because the product or item is out of stock and that no re-stocking is expected until after the stored coupon expires), then the stored coupon will be marked in the card memory with a rain checked bar code indicating that the coupon can be redeemed beyond the expiration date (page 22: 21-24; page 27: 14-31).

### ***Claim Rejections - 35 USC § 102***

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

Claims 1-12 and 14-25 are rejected under 35 U.S.C. 102(b) as being anticipated by Valencia, US Patent 5,380,991.

As per claims 1-3, 5-12, 14-15, 16-19, 20 and 22-25, Valencia discloses a system for allowing a customer to obtain the benefits of reduced prices for certain items without the necessity of redeeming paper coupons. In fact, the manufacturer's coupons are electronically provided to the customer or shopper via a smart card having encoded in its memory a plurality of discount coupons redeemable on a plurality of products. Furthermore, the smart card stores information or sale data on products that have been purchased by the shopper (purchase behavior or purchase history). The coupons stored on the smart card are redeemed in a conventional manner at a retailer's POS and information, sale data and discount coupon data, stored on the smart card is updated accordingly (See abstract).

In general, at the retailer's POS or store, a tag is affixed to a discounted product displayed on the store shelf to thereby help the customer or the shopper identify a discounted product. The tag may contain other relevant product information and maybe color-coded. The tag could include several discount values associated with a particular product, thereby indicating that the customer or shopper would receive additional discounts if the particular product is repurchased in the future (one or more discounts applied to one particular product at different time intervals in the on-going or progressive couponing method). It should further be noted that, during a redemption process at the retailer's POS, product information, customer's identification and discount data are read from the smart card and if there is a match between a product currently in the customer's order and a product stored on the customer's smart card, then the discount related

Art Unit: 3622

to this product is applied to the customer's order. And, if one or more products in the customer's order are subject to additional discounts or progressive discounts, then the system would scan the memory of the customer's smart card to determine whether the customer has previously purchased this particular item or product, listed in the progressive couponing. In the affirmative, the additional discounts are applied and the smart card memory is altered accordingly (multiple or progressive discounts are redeemed on the single product during a single shopping trip) (col. 2: 59 to col. 3: 52; col. 4: 37-51; col. 5: 31-42; col. 5: 55-61; **col. 6: 6-51**).

In another embodiment, the smart card storing the paperless or electronic coupons can be purchased from a customer service center or service provider. For instance, the smart card is purchased at a service center, the customer would pay a particular amount, such as \$ 25.00, for the card. In other words, the customer or purchaser pre-pays or loads the card with \$25.00 worth of coupons, used towards various discount coupons related to various products and the balance is adjusted accordingly and stored in the memory of the card following a redemption. In addition, and alternatively, as an inducement to purchase various items, the amount initially credited or stored on the smart card could be complimentary to the customer (that is to say that the smart card storing the initial monetary value could be given free to the customer as an incentive to buy a plurality of products associated with the plurality of discount values related to the initial monetary amount credited or stored on the card memory). When the customer purchases the smart card 2 at the customer service center 64, all the necessary information including the customer's identification number will be entered onto the smart card erasable memory. Additional monetary values, purchased by the customer or given free to the customer by the

Art Unit: 3622

manufacturer or supplier, would be added to the smart card 2 memory when the original amount has been depleted (col. 6: 51 to col. 7: 12).

Finally, transaction data, associated with the electronic coupon redemption process, are collected at the participating retailers and forwarded to the respective manufacturers and used for tracking and paying the participating retailers for redeeming or honoring the electronic coupons presented by the users of the re-usable smart card (col. 9: 3- 29).

As per claims 4 and 21, it is disclosed in the prior art that even after the discount period or promotional period of a discount coupon has expired, it is important to notify the customer or the bearer of the smart card, who has previously purchased the product associated with the expired discount coupon, that the ongoing or progressive coupons on the same product, as reflected in the smart card memory, for which the customer is qualified are still valid (coupons still redeemable beyond the expiration date of the promotional period-Col. 5: 62-67).

Claims 20-25 are rejected under 35 U.S.C. 102(b) as being anticipated by Fajkowski, WO 98/19229.

As per claim 20, Fajkowski discloses a system for providing a coupon card or value card, from a coupon card issuer, containing one or more coupons or multiple coupons on a single product or service to a customer, who uses the coupon card for redeeming one or more stored coupons during a transaction at a POS or retail establishment, wherein, upon inserting the customer's unique coupon card 1 into the retail establishment periphery device 100 and detecting



the presence of at least one stored coupon associated with a product in the customer's order (when a product UPC code stored on the coupon card matches a product UPC code in the customer's order), a price reduction is applied to the customer's transaction and the retail establishment is subsequently credited or reimbursed for honoring or redeeming the at least one coupon retrieved from the customer's coupon card 1 (See abstract; page 4: 24 to page 9: 7).

As per claims 22-25, Fajkowski discloses a system for providing a coupon card or value card, from a coupon card issuer, containing one or more coupons or multiple coupons on a single product or service to a customer, who uses the coupon card for redeeming one or more stored coupons during a transaction at a POS or retail establishment, wherein, upon inserting the customer's unique coupon card 1 into the retail establishment periphery device 100 and detecting the presence of at least one stored coupon associated with a product in the customer's order (when a product UPC code stored on the coupon card matches a product UPC code in the customer's order), a price reduction is applied to the customer's transaction and the retail establishment is subsequently credited or reimbursed for honoring or redeeming the at least one coupon retrieved from the customer's coupon card 1 (See abstract; page 4: 24 to page 9: 7).

Further, the coupon card 1 may include a customer's identification number, which allows the provider of the coupon card and/or manufacturer (supplier) to uniquely identify each individual user to whom a coupon card 1 is registered, thereby enabling purchase habits or behavior of each individual user to be extracted from collected sale data associated with each user and used by the supplier or manufacturer in further marketing analysis in order to prepare targeted coupon packages for the each individual user, wherein the targeted coupon packages are

Art Unit: 3622

transmitted to each individual coupon card 1, to offer real-time rebates to a user or to increase/decrease a coupon value of a coupon already stored on an identified coupon card 1 in reaction to the user's response to a current promotion. Indeed, a clearinghouse 300 receives from a plurality of different periphery devices 100, linked to servers 200, related to different stores transaction data associated with the users identified by the coupon cards 1 and compiles a detailed database of the purchasing habits or behavior of all users of coupon cards 1. From this database, precise marketing profiles and reports can be provided to the manufacturer or supplier and used to generate customized coupon packages by the manufacturer or supplier for the benefit of the individual users of the coupon cards 1. Coupon data directed to a particular user of a coupon card 1 are transmitted from the manufacturer or supplier to the clearinghouse 300 to be uploaded by a periphery device 100, linked to the clearinghouse 300 via server 200, to the coupon card 1 during a transaction or redemption process at a retail establishment involving the identified coupon card 1 (See abstract; page 4: 24 to page 9: 7; page 19: 27 to page 20: 8; page 32: 11 to page 33: 6).

In addition, the coupon card 1 can store more than one coupon redeemable on a single product. During a redemption process, if more than one coupon from the coupon card 1 is applicable to a single item purchased, a subroutine will be executed, wherein a message is displayed to the bearer or user of the coupon card 1 notifying him of the presence of a multiple coupons redeemable on a single item present in his order and prompt him to select which coupon he wants to redeem on the product at this time. In other words, when more than one coupons are applicable to a single product, one coupon is selected by the user and redeemed during the current shopping trip, while the additional coupons will be redeemed in the future (the coupons

are valid at space apart time interval-page 22: 31 to page 23: 6; page 26: 31 to page 27: 14; page 34: 33 to page 35: 27).

Further, Redemption data are transferred to the coupon card 1 by periphery device 100 during a redemption process at the retail establishment (page 28: 26-28). During a transaction process, the periphery device 100 indicates if there is a manufacturer instant rebate for any product currently in the customer's order. In the affirmative, the system or rebate system allows the customer to instantly receive credit for the rebate, while quickly and efficiently supplying the manufacturer with both the demographic data and stimulation power the rebate is intended to provide in the first place, wherein the demographic data are used to further measure the effectiveness of the system and to further distribute rebates to the identified user or customer of the coupon card 1 (page 22: 21-24; page 27: 14-31).

As per claim 21, Fajkowski discloses a system wherein a coupon stored on an identified coupon card 1 can be used beyond its expiration date (allowing a coupon to be redeemed beyond its scheduled expiration date). In fact, if the system determines during a redemption process that a customer has purchased an item covered by a coupon stored on the coupon card 1 could not be used or redeemed prior to its expiration date (because the product or item is out of stock and that no re-stocking is expected until after the stored coupon expires), then the stored coupon will be marked in the card memory with a rain checked bar code indicating that the coupon can be redeemed beyond the expiration date (page 22: 21-24; page 27: 14-31).

### **Conclusion**

Art Unit: 3622

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

US Patent 5, 887, 271 to Powell discloses a system for providing a shopper's card or smart card, having encoded thereon coupon information, to a customer, wherein a customer 230 originally obtained customer card 235 from a bank, by completing an application for the bank, wherein the application contained questions to collect from the customer demographic data, including birth date, income level, past buying patterns, geographic location, size of family, level of education, and job-related data and wherein the bank subsequently wrote customer identification data for customer 230 onto customer card 235, and issued customer card 235 to the customer 230, who will use the card to upload coupon data remotely transmitted from a retailer's system to the customer's PC.

**THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Art Unit: 3622

Any inquiry concerning this communication from the Examiner should be directed to Jean D. Janvier, whose telephone number is (703) 308-6287). The aforementioned can normally be reached Monday-Thursday from 10:00AM to 6:00 PM EST. If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's Supervisor, Mr. Eric W. Stamber, can be reached at (703) 305- 8469.

For information on the status of your case, please call the help desk at (703) 308-1113.

Further, the following fax numbers can be used, if need be, by the Applicant(s):

After Final- 703-872-9327

Before Final -703-872-9326

Non-Official Draft- 703-746-7240

Customer Service- 703-872-9325

JDJ  
07/13/04



Jean D. Janvier  
Patent Examiner

Art Unit 3622